

# SAN BERNARDINO COUNTY ECONOMIC FORECAST

San Bernardino County is the largest county in the nation in terms of total land area. The county, along with its neighbor to the south, Riverside County, comprise the Inland Empire. The Inland Empire is the fastest growing region of the state, and among the fastest growing metro areas in the nation. San Bernardino County has a population of 2.02 million people, with over 670,000 wage and salary jobs. The per capita income in San Bernardino County is \$27,035, the average salary per worker is \$43,123, and median family income is \$59,200.

Economic growth in Southern California has been strong during the decade, but was even more impressive during 2006. Much of the growth in Southern California took place in the Inland Empire. Last year 25,800 total jobs were created in San Bernardino County, representing a spectacular growth rate of 4.0 percent. The unemployment rate dropped to 4.8 percent in 2006.

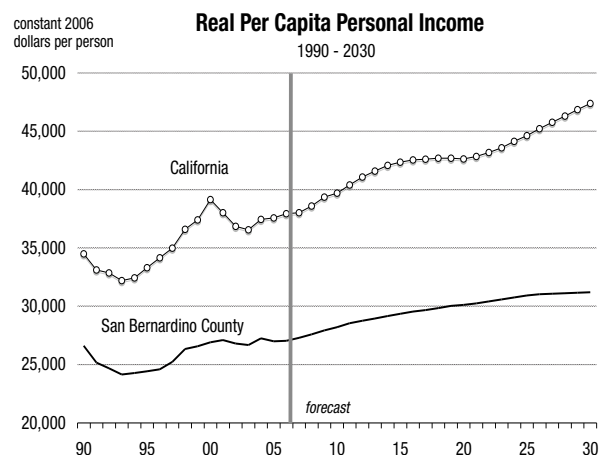
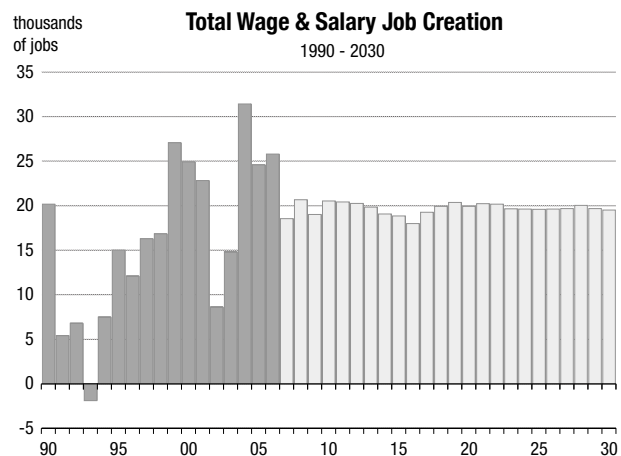
Every sector experienced positive job creation in 2005, led by leisure services, transportation, wholesale and retail trade, and professional and business services. The manufacturing sector is also creating jobs, making the county one of the few areas in California where manufacturing employment is not shrinking.

The population growth rate still exceeds 2 percent in San Bernardino County, though it is lower than neighboring Riverside County. Four cities grew by more than seven percent from January 2006 to January 2007: Adelanto, Hesperia, Fontana and Victorville.

Population and employment growth are expected to remain healthy for the remainder of the decade in San Bernardino County. The Inland Empire is positioned to dominate growth in California for the foreseeable future.

## FORECAST HIGHLIGHTS

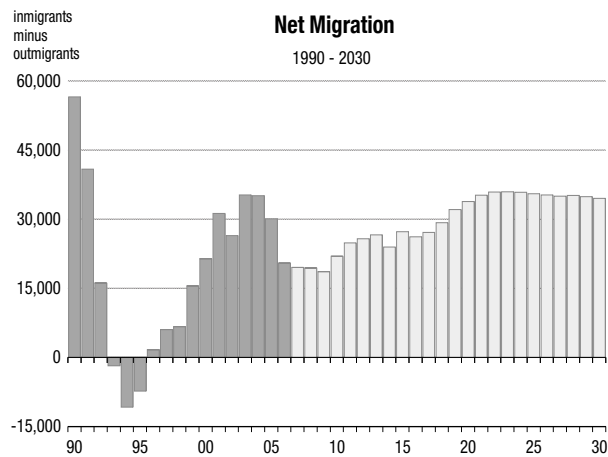
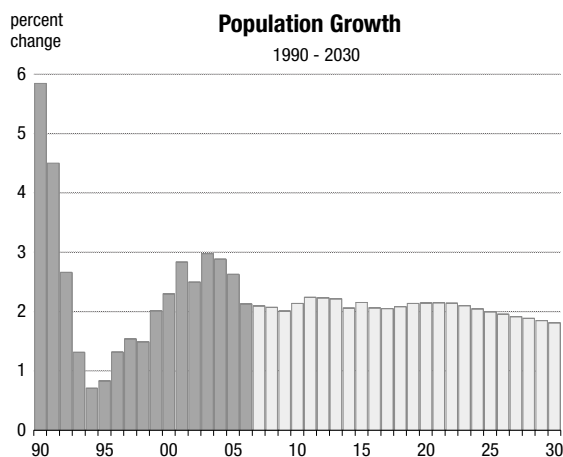
- Job growth is forecast to decline in 2007 to 2.7 percent, but still remain well above the state average. Over the next five years, the annual growth rate is expected to average 2.8 percent per year.
- Average salaries adjusted for inflation are currently below the California state average, and will remain so over the foreseeable future. Real average salaries are forecast to rise an average of 0.3 percent per year over the next five years.
- Over the next five years, the momentum for employment growth is in services and logistics. Transportation and utilities, professional and business services, leisure services, and wholesale and retail trade all grow between 20 and 30 percent over the forecast period. Together, these sectors account for 85 percent of growth.
- The population will continue to grow at a strong, but slowing rate in the county. Annual growth in the 2007 to 2011 period is forecast to average 2.1 percent per year, largely on the strength of net migration
- Net migration is expected to be 19,500 net in-migrants in 2007. Over the next five years net migration is forecast to average 20,800 people per year.
- Real per capita incomes are expected to increase at a rate of 0.9 percent in 2007. Over the next five years real per capita incomes are forecast to increase 1.1 percent per year.
- Total taxable sales are expected to increase by an average of 10.1 percent over the next five years.
- Industrial production is expected to increase by 5.8 percent in 2007. From 2007 to 2011, the growth rate of industrial production is expected to average 5.6 percent per year.



# San Bernardino County Economic Forecast

## 1997-2006 History, 2007-2030 Forecast

	Population (people)	Net Migration (people)	Registered Vehicles (millions)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (millions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
1997	1,626,289	6,062	1.10	506.2	5,593	\$14.0	\$31.2	\$25,219	1.7	883.5	8.7	6.5
1998	1,650,580	6,727	1.17	510.9	6,113	\$15.0	\$33.5	\$26,340	1.4	912.5	9.6	5.7
1999	1,683,843	15,560	1.21	515.9	7,072	\$16.8	\$35.3	\$26,575	2.3	915.2	10.6	4.9
2000	1,722,573	21,459	1.27	528.6	6,580	\$18.9	\$37.8	\$26,899	3.3	760.6	11.8	4.8
2001	1,771,386	31,242	1.33	532.6	8,527	\$19.7	\$40.4	\$27,089	3.4	835.7	10.3	5.1
2002	1,815,631	26,437	1.41	539.4	10,616	\$20.8	\$42.1	\$26,803	2.8	729.3	10.5	6.0
2003	1,869,704	35,264	1.44	547.4	12,640	\$22.6	\$44.3	\$26,664	2.6	727.0	11.8	6.2
2004	1,923,610	35,120	1.59	556.9	18,470	\$26.2	\$48.1	\$27,246	3.3	749.2	13.1	5.7
2005	1,974,206	30,119	1.64	569.0	16,684	\$29.7	\$51.1	\$26,981	4.5	589.2	13.6	5.0
2006	2,016,277	20,479	1.69	583.5	13,872	\$33.2	\$54.5	\$27,035	4.3	580.4	14.3	4.8
2007	2,058,560	19,534	1.75	595.7	9,533	\$37.6	\$58.2	\$27,281	3.6	594.8	15.1	5.0
2008	2,101,233	19,433	1.82	604.3	11,559	\$41.5	\$61.5	\$27,576	2.5	602.2	15.9	5.3
2009	2,143,477	18,632	1.88	614.7	13,077	\$45.3	\$65.2	\$27,922	2.5	604.2	16.8	5.1
2010	2,189,318	21,996	1.93	626.4	14,061	\$49.4	\$69.3	\$28,199	3.1	601.9	17.8	5.1
2011	2,238,354	24,854	1.98	639.1	14,100	\$53.5	\$73.7	\$28,534	2.9	594.8	18.7	5.1
2012	2,288,388	25,754	2.04	651.8	14,901	\$57.7	\$78.0	\$28,755	2.7	589.4	19.7	5.3
2013	2,339,135	26,622	2.08	665.2	15,278	\$62.0	\$82.6	\$28,947	2.8	585.4	20.7	5.4
2014	2,387,351	23,994	2.11	678.9	15,618	\$66.4	\$87.3	\$29,167	2.8	580.3	21.8	5.4
2015	2,438,843	27,278	2.14	693.0	15,930	\$71.2	\$92.5	\$29,354	3.1	576.1	22.8	5.4
2016	2,489,158	26,198	2.16	707.3	15,810	\$76.2	\$98.1	\$29,536	3.2	572.3	23.7	5.4
2017	2,540,262	27,162	2.18	721.5	15,835	\$81.4	\$103.7	\$29,667	3.2	564.4	24.8	5.4
2018	2,593,197	29,251	2.20	735.8	16,083	\$86.6	\$109.8	\$29,846	3.0	559.2	25.9	5.4
2019	2,648,687	32,103	2.23	750.3	16,200	\$92.1	\$116.2	\$30,020	3.0	554.3	26.9	5.4
2020	2,705,590	33,862	2.27	764.8	16,136	\$97.7	\$122.6	\$30,111	3.0	548.8	28.1	5.3
2021	2,763,789	35,208	2.31	779.4	15,856	\$103.5	\$129.4	\$30,231	3.0	540.7	29.1	5.3
2022	2,823,041	35,931	2.36	793.6	15,614	\$109.7	\$137.1	\$30,415	3.0	536.5	29.9	5.3
2023	2,882,361	35,949	2.42	807.7	15,437	\$116.0	\$144.9	\$30,589	3.0	529.2	30.7	5.3
2024	2,941,414	35,831	2.48	821.6	15,130	\$122.4	\$152.9	\$30,760	2.8	527.2	31.6	5.3
2025	3,000,172	35,527	2.55	835.2	15,035	\$129.2	\$161.3	\$30,922	2.9	523.9	32.3	5.2
2026	3,058,868	35,282	2.63	848.7	14,865	\$136.3	\$169.8	\$31,029	2.9	519.1	33.0	5.2
2027	3,117,450	35,033	2.71	862.1	14,949	\$143.8	\$178.5	\$31,074	3.0	512.7	33.6	5.2
2028	3,176,243	35,143	2.79	875.6	14,851	\$152.0	\$187.9	\$31,115	3.2	502.7	34.3	5.2
2029	3,235,054	34,924	2.87	888.9	14,589	\$160.5	\$197.7	\$31,163	3.2	497.4	35.1	5.1
2030	3,293,778	34,518	2.96	902.0	14,276	\$169.3	\$207.8	\$31,207	3.1	493.1	35.8	5.1



# San Bernardino County Employment Forecast

## 1997-2006 History, 2007-2030 Forecast

	Total Wage & Salary	Farm	Construction	Manufac- turing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
1997	474.8	4.23	23.1	58.3	29.8	84.3	18.7	41.0	6.6	53.8	39.2	99.4
1998	491.6	4.10	24.6	62.6	33.1	83.8	18.2	45.8	6.9	54.8	40.4	100.8
1999	518.7	4.06	28.0	65.8	34.6	86.9	19.1	51.5	7.3	57.0	41.3	104.9
2000	543.6	4.15	31.7	68.3	36.3	92.2	18.7	54.8	7.1	58.1	45.4	108.1
2001	566.4	4.28	35.1	68.0	35.1	96.3	21.3	59.2	8.3	60.7	47.1	111.0
2002	575.1	4.12	35.9	65.6	35.2	96.9	21.9	60.3	7.5	62.8	48.0	116.2
2003	589.9	4.04	38.2	66.1	37.8	99.9	23.1	63.5	7.3	65.1	48.4	115.3
2004	621.3	3.57	41.3	69.3	41.9	106.3	24.9	71.5	7.1	66.5	52.2	114.7
2005	645.9	3.12	44.6	68.5	44.7	114.3	26.8	75.0	6.9	67.2	54.7	117.1
2006	671.7	2.93	46.8	70.2	47.3	119.6	28.4	80.1	7.2	68.7	57.4	119.1
2007	690.3	2.81	46.1	70.1	50.0	124.9	29.2	82.8	7.4	69.5	60.3	122.0
2008	711.0	2.71	45.7	70.3	52.0	130.4	29.5	90.2	7.5	70.1	62.9	123.3
2009	730.0	2.63	47.2	70.6	54.4	135.9	29.7	93.7	7.5	70.9	65.8	124.3
2010	750.6	2.57	48.5	70.7	57.4	141.6	29.9	96.6	7.6	71.8	68.5	126.5
2011	771.0	2.50	49.3	70.9	60.4	147.3	30.3	100.0	7.6	72.4	71.4	128.8
2012	791.2	2.44	50.0	71.2	63.2	152.6	30.7	103.8	7.7	72.8	74.4	130.8
2013	811.1	2.39	50.9	71.4	66.0	157.8	31.1	107.4	7.7	73.2	77.4	132.8
2014	830.2	2.33	51.6	71.6	68.9	162.9	31.6	110.3	7.8	73.6	80.5	134.7
2015	849.0	2.28	52.3	71.8	71.7	167.9	32.1	112.9	7.8	74.0	83.9	136.8
2016	867.1	2.24	53.0	71.8	74.5	172.9	32.6	114.2	7.9	74.5	87.5	138.9
2017	886.3	2.19	53.5	71.8	77.2	177.9	33.2	116.2	7.9	75.3	91.3	141.2
2018	906.3	2.15	54.2	71.9	80.1	182.8	33.8	118.2	7.9	76.3	95.0	143.9
2019	926.6	2.10	54.9	71.9	82.9	187.6	34.3	120.4	8.0	77.6	98.5	146.7
2020	946.6	2.06	55.6	72.0	85.7	192.3	34.8	123.1	8.0	78.8	101.7	149.2
2021	966.8	2.01	56.0	72.1	88.4	197.3	35.2	125.7	8.0	80.3	105.1	151.7
2022	987.0	1.97	56.6	72.0	91.2	202.1	35.7	127.9	8.0	82.0	108.6	154.0
2023	1,006.7	1.92	57.1	72.0	93.8	206.8	36.2	130.1	8.1	83.8	112.1	156.3
2024	1,026.3	1.88	57.6	72.0	96.4	211.5	36.8	132.3	8.1	85.7	115.7	158.4
2025	1,045.9	1.84	58.1	71.9	98.8	216.1	37.4	134.4	8.1	87.6	119.4	160.4
2026	1,065.5	1.81	58.9	71.8	101.2	220.9	38.1	136.6	8.2	89.4	123.3	162.3
2027	1,085.2	1.77	59.7	71.7	103.4	225.6	38.7	139.0	8.2	91.1	127.3	164.1
2028	1,105.3	1.72	60.6	71.6	105.7	230.5	39.2	141.2	8.2	92.8	131.6	165.8
2029	1,124.9	1.68	61.2	71.5	108.0	235.5	39.7	143.2	8.3	94.3	136.1	167.5
2030	1,144.5	1.64	61.6	71.4	110.2	240.6	40.2	145.2	8.3	95.8	140.7	169.2

